GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:922
ANSWERED ON:24.11.2000
ASSETS OF BURN STANDARD CO.LTD
MAHBOOB ZAHEDI

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Management of Burn Standard Company Limited havecontemplated to sell the lands and machinery in violation of the BIFR terms and conditions;

(b) if so, the details thereof;

(c) whether the Management of BSCL is on way to dispose-of a ManitowocCrane at Rs.1.11 crore belonging to its Central Project Division;

(d) whether the Crane is now deployed with Indian Oil Corporation Ltd.in Haldia and BSCL fetches an annual rent of Rs.1.32 crore from IOC; and

(e) whether BSCL can sell its assets at its whims when the Company is now under a revival process with a BIFR?

Answer

MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA)

(a)to (e): The BIFR sanctioned rehabilitation scheme of the BSCL did noprovide for the revival of the Offshore Division of the company at Jellingham Yard alongwith 7 Loss Making Refractory Units (LRUs).The revival scheme also provided for separation of all employees of the unviable units under VRS. The scheme further provided budgetary support of Rs.18 crore for 2 years, which was to be recouped from sale of assets of the unviable units. Hence, sale of assets like land & machinery is not violative of the sanctioned scheme. The crane in question belongs to the Offshore Divisionat Jellingham Yard and has earned rent from IOC of and on since 1996, which was much less than the figure quoted.